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BEFORE THE
CALIFORNIA GAMBLING CONTROL COMMISSION

In the Matter of the Application for Approval
of Initial Key Employee License Regarding:

ERIC CANNON

Respondent.

BGC Case No. BGC-HQ2022-00013SL

CGCC Case No. CGCC-2022-0609-4A

DECISION AND ORDER

Hearing Date: January 10, 2023

Time: 10:00 a.m.

This matter was heard by the California Gambling Control Commission (Commission) pursuant to Business and Professions Code sections 19870 and 19871, and Title 4, California Code of Regulations (CCR) section 12060, via Zoom video conference, on January 10, 2023.

Respondent Eric Cannon (Cannon) appeared on his own behalf during the evidentiary hearing.

Neil Houston, Deputy Attorney General, State of California (DAG Houston), represented complainant Yolanda Morrow, Director of the Bureau of Gambling Control (Bureau), Department of Justice, State of California.

During the evidentiary hearing, Presiding Officer Paras Modha (PO Modha), Attorney III of the Commission, took official notice of the following documents: the Commission’s Notice and Agenda of Commission Hearing; the Commission’s Conclusion of Prehearing Conference letter; the Commission’s Notice of Hearing with attachments (A) Cannon’s Application, and (B) the Bureau’s background investigation report; the Bureau’s Statement of Reasons; and Cannon’s signed Notice of Defense.

During the evidentiary hearing, PO Modha accepted into evidence Exhibits 1-10, Bates Nos. Complainant 001-196, offered by the Bureau and identified on the Bureau’s Exhibit Index, pursuant to a stipulation between the parties. PO Modha also accepted into evidence Cannon’s Exhibit A, a letter of reference from Kenny Giacomini in support of Cannon’s Application, and Exhibit B, a letter from the Thunder Valley Casino Resort Reinstatement Committee upholding Cannon’s exclusion from all Thunder Valley Casino Resort properties, pursuant to a stipulation

1 between the parties.

2 PO Modha closed the administrative record and the matter was submitted for decision on
3 January 10, 2023.

4 FINDINGS OF FACT

5 **Procedural History**

6 1. In October 2020, Cannon started working as a Customer Service Representative for
7 500 Club Casino (500 Club).

8 2. On or about June 23, 2021, the Bureau received an Initial Application for Employee
9 Category License as a Gambling Establishment Key Employee and Supplemental Information
10 form (Supplemental) (collectively, Application) from Cannon.

11 3. On or about June 24, 2021, the Commission issued interim key employee license
12 number GEKE-002661 to Cannon for his continued employment as a Customer Service
13 Representative with 500 Club. Cannon assumed key employee duties for 500 Club in July 2021.

14 4. On or about February 28, 2022, the Commission received a Gambling Establishment
15 Key Employee Initial Background Investigation Report (Background Report) on Cannon from the
16 Bureau. In the Background Report, the Bureau alleges that Cannon participated in illegal online
17 sports betting and, in an unrelated incident, was banned from a tribal casino. Based on the
18 foregoing, the Bureau recommends that the Commission deny Cannon's Application.

19 5. On or about June 9, 2022, the Commission: (1) voted to refer the consideration of
20 Cannon's Application to a Gambling Control Act (Act) evidentiary hearing pursuant to CCR
21 section 12060(a); and (2) sent a letter to Cannon via certified and regular mail notifying him that
22 the Commission referred the consideration of his Application to an evidentiary hearing and
23 included a blank Notice of Defense form.

24 6. On or about June 22, 2022, the Commission received a signed Notice of Defense form
25 from Cannon requesting an evidentiary hearing on the consideration of his Application. On his
26 Notice of Defense form, Cannon also requested that all notices and written communications for
27 purposes of the evidentiary hearing be provided via email instead of U.S. mail.

28 7. On or about August 17, 2022, the Commission sent a Notice of Hearing, via e-mail, to

1 Cannon and DAG Houston. The hearing was set for January 10, 2023 at 10:00 a.m.

2 8. On or about November 10, 2022, the Bureau sent a Statement of Reasons to Cannon
3 via e-mail and to the Commission. In the Statement of Reasons, the Bureau alleges two causes for
4 denial: (1) that Cannon is unsuitable for licensure because he has engaged in online sports betting
5 through <https://mybookie.ag>, an online gambling website, in violation of California Penal Code
6 section 337a(a)(6); and (2) that Cannon is unsuitable for licensure because on or about September
7 1, 2020, Cannon was ejected from Thunder Valley Casino (Thunder Valley) due to public
8 intoxication and disruptive behavior and was then banned from Thunder Valley on that basis. The
9 Bureau also alleges that when he was questioned about this incident by the Bureau, Cannon
10 provided information that is inconsistent with the United Auburn Indian Community Tribal
11 Gaming Agency’s incident report (Incident Report). Based on the foregoing, the Bureau requests
12 that the Commission deny Cannon’s Application.

13 9. On or about November 15, 2022, the noticed Prehearing Conference was held before
14 PO Modha. Cannon attended on his own behalf. DAG Houston attended on behalf of the Bureau.

15 10. On or about November 15, 2022, PO Modha sent a Conclusion of Prehearing
16 Conference letter, via e-mail, to Cannon and DAG Houston.

17 11. The Commission heard this matter via Zoom video conference on January 10,
18 2023. PO Modha closed the administrative record on January 10, 2023.

19 **Cannon’s Employment History in Controlled Gambling**

20 12. Cannon worked as a dealer for Towers Casino from September 2015 to August 2016.

21 13. Cannon worked as a dealer for Club One Casino from June 2018 to June 2020.

22 14. Cannon worked as a Customer Service Representative for 500 Club from October
23 2020 to the present.

24 15. There was no evidence presented of any derogatory information relating to Cannon’s
25 work history in controlled gambling.

26 **Cannon’s Online Sports Gambling**

27 16. During its background investigation, the Bureau reviewed Cannon’s bank statements
28 from April 2020 to May 2021. Cannon’s bank statements show one deposit of \$500 from “Bhng

1 Inc” in February 2021, and one deposit of \$400 from “Dej Tech” in March 2021. On or about
2 August 26, 2021, Cannon responded to a Bureau inquiry and disclosed that the “Bhng Inc” and
3 “Dej Tech” deposits were from an online betting website.

4 17. On or about September 8, 2021, the Bureau asked Cannon to identify the website he
5 used to gamble on sports online, when he started gambling on the website, if he was currently
6 betting online, the specific sports and games he bet on, and if he gambled or bet on sports on any
7 other websites.

8 18. On or about September 15, 2021, Cannon responded to the Bureau that the only
9 website he used for sports betting was <https://mybookie.ag>, that he started betting on the website
10 in August 2020, that he does not currently participate in betting online, that he bet on the NFL
11 Super Bowl and NBA regular season games, and that the last time he placed a bet on that website
12 was February 7, 2021.

13 19. On or about December 9, 2021, the Bureau asked Cannon for the date that he last
14 gambled online. On or about December 9, 2021, Cannon responded that the last time he gambled
15 online was February 7, 2021, and that the event was the NFL Super Bowl.

16 20. On or about February 24, 2022, Cannon emailed the Bureau. In his email, Cannon
17 stated: “While I am aware that sports betting is illegal in California, I was led to believe (via
18 google) that placing wagers on mybookie.ag was 100% legal and okay to do. If it said otherwise,
19 I would not have jeopardized my potential career and namesake by participating in illegal
20 activity.” Cannon also provided a “direct search result from Google,” which provides “the use of
21 MyBookie in California is legal and a great choice of an online sportsbook. Although sports
22 betting in California has not been regulated by the state, MyBookie can still be used as it is
23 regulated by a governing body in Costa Rica.”

24 21. In its Background Report, the Bureau alleges that grounds exist to deny Cannon’s
25 license because he engaged in illegal gambling pursuant to Penal Code section 337a(a)(6), which
26 provides that every person who “lays, makes, offers or accepts any bet or bets, or wage or wagers,
27 upon the result, or purported result, of any trial, or purported trial, or contest, or purported
28 contest, of skill, speed or power of endurance of person or animal, or between persons, animals,

1 or mechanical apparatus” is guilty of a misdemeanor.

2 22. There was no evidence presented that Cannon had ever been arrested or convicted of a
3 violation of Penal Code section 337a(a)(6) arising out of his online sports gambling or otherwise.

4 **Cannon’s Exclusion and Ban from Thunder Valley**

5 23. There are two concerns relating to Cannon’s exclusion and ban from Thunder Valley.
6 First, the Bureau alleges that Cannon provided information regarding the circumstances
7 surrounding his exclusion and ban from Thunder Valley that was inconsistent with the Incident
8 Report. Second, Cannon engaged in drunk and disorderly behavior that led to his exclusion and
9 ban from Thunder Valley.

10 *Cannon’s Application*

11 24. Cannon’s Application consists of two parts. The first part is three pages and contains
12 five sections, including applicant information. The second part of the Application is the
13 Supplemental, which is 12 pages and contains 12 sections. The Supplemental requires that the
14 applicant disclose, among other things, their criminal history information.

15 25. Section (4), Question (B) on the Supplemental asks the applicant: “Have you ever
16 been removed from or prohibited from entering the premises of any gaming or pari-mutuel
17 wagering establishment?” Cannon checked the box marked “Yes” and provided the following
18 details: “August 2020: Removed from Thunder Valley Indian Casino for the night. Arrested by
19 Placer County Sheriff for public intoxication. Released the following day with no further charge.”

20 *Thunder Valley’s Incident Report*

21 26. During its background investigation, the Bureau confirmed with Thunder Valley that
22 Cannon was removed and banned from Thunder Valley on September 1, 2020, due to drunk and
23 disorderly behavior and departed the premises in the custody of the Placer County Sheriff’s
24 Office.

25 27. The Incident Report provides that Cannon disrupted the poker room and was
26 sleeping/leaning on a live poker table. Cannon was advised to cash out his chips and depart the
27 poker room for the night. Cannon became upset, racked up his chips, and cashed them out at the
28 poker cage. An Emergency Medical Technician who was called to the scene advised Cannon that

1 he appeared intoxicated and asked if he had a sober ride off the property. Cannon stated that he
2 did not think he was drunk and was going to drive his car off the property. Cannon departed the
3 poker room and walked toward the parking garage. After a Shift Manager with Thunder Valley
4 made contact with Cannon, Cannon stated that he would call an Uber. Cannon stated that the
5 Uber driver told him that they would pick him up on Level 4 of the parking garage, but Cannon
6 was never observed calling an Uber. Cannon requested that Thunder Valley call law enforcement.
7 Thunder Valley then called law enforcement, who arrived and administered a Field Sobriety Test.
8 Cannon failed the Field Sobriety Test and was formally banned from Thunder Valley.

9 28. Thunder Valley stated that the ban is not necessarily permanent and that when
10 it bans a guest, the ban is for a minimum of one year. After one year, the guest may apply for
11 reinstatement, which is considered on a case-by-case basis by a committee led by the Director of
12 Security.

13 29. On or about August 25, 2022, the Thunder Valley Casino Resort Reinstatement
14 Committee informed Cannon that they were upholding Cannon's exclusion from all Thunder
15 Valley properties.

16 *The Placer County Jail Arrest Report*

17 30. In the Placer County Jail Arrest Report (Arrest Report), the reporting officer wrote
18 that they observed Cannon exhibit symptoms of intoxication and stated that Cannon "was
19 argumentative but made an attempt to order an Uber." Cannon was transported to South Placer
20 Jail because of his inability to care for himself due to his level of intoxication and inability to get
21 a sober ride home.

22 *Cannon's Responses to Bureau Inquiries*

23 31. On or about January 4, 2022, Cannon emailed the Bureau regarding the incident at
24 Thunder Valley. Cannon stated that he was playing poker with friends and had a little bit too
25 much to drink. At 3:00 a.m. Cannon was starting to fall asleep at the table and they asked him to
26 leave for the night. Cannon "understood completely and ordered an Uber and asked one of the
27 employees to cash out his chips." Cannon continued: "As I was waiting for them to bring my
28 cash, a security guard grabbed me by the arm, pulled me and said you need to go right now. I then

1 got very defensive and made a scene because I felt extremely disrespected. After some arguing, I
2 finally received my cash and security escorted me out to the parking garage where I was met by a
3 Placer County Sheriff. I tried to explain my side of the story but was intoxicated and he obviously
4 took their side. I was then cuffed and booked into Placer County jail which happens to be 2
5 minutes away from Thunder Valley Casino. They did not charge me with anything and released
6 me the next afternoon. A couple days later I got a hold of the officer via phone and apologized for
7 making a scene. He was very receptive to the call and understood why I was upset at the situation.
8 I've also been back to Thunder [Valley] and apologized to the floor manager for making his life
9 difficult.”

10 32. Cannon also stated that “the incident that took place at Thunder Valley Casino was a
11 regrettable one for sure” and that he “definitely learned from this incident and it will never
12 happen again.”

13 33. On or about January 18, 2022, the Bureau emailed Cannon and requested that he
14 provide a statement explaining the discrepancies between his January 4, 2022 statement and the
15 information provided by Thunder Valley and the Placer County Sheriff’s Office.

16 34. On or about January 24, 2022, Cannon emailed the Bureau the following statement:
17 “The statement I gave you previously about this incident was my complete and honest truth about
18 what I thought happened at Thunder Valley that night. Obviously I was embarrassingly drunk and
19 the version of the incident that you received from the Bureau is more likely to be accurate. I only
20 have a couple of arguments against it: I do not remember them asking me if they would give me a
21 sober ride home. I NEVER intended on driving away from there. I was just ranting nonsense
22 because of the hectic situation. When I finally received my phone the next day after spending all
23 day in a jail cell, I unlocked my phone and the first application to appear on my screen was the
24 Uber app. That tells me that I fully intended on taking an Uber, but the situation got out of hand
25 and I was taken to jail. I do remember asking them to call the cops. The reason I did so was
26 because I was very defensive, out of control, and I must have felt that my personal space had been
27 violated. I thought that the police being there would diffuse the situation but I was very
28 aggressive, out of line, and deserved to be taken away for the night. I was completely 100% in the

1 wrong. I take fully accountability for what happened. I had a lot of time the next day in the cell to
2 think about the incident and I was very grateful to be in a safe place. I am very embarrassed that
3 this is part of my past, however it definitely taught me a lesson.”

4 **Cannon’s Letter of Reference from Kenny Giacomini**

5 35. Kenny Giacomini (Giacomini) submitted a letter of reference in support of Cannon’s
6 Application. Giacomini is a Financial Advisor at Wells Fargo. Giacomini states that he is a close
7 friend of Cannon’s and has known Cannon for more than a decade. Giacomini describes Cannon
8 as hardworking, caring, and determined. Giacomini also states, among other things, that Cannon
9 is supportive, helpful, and has made a positive impact on his life.

10 **Frances Asuncion’s Testimony During the Evidentiary Hearing**

11 36. Frances Asuncion (Asuncion) is a Senior Manager for the Bureau. During the
12 evidentiary hearing, Asuncion testified that she oversees the cardroom licensing section of the
13 Bureau and reviews and approves the Bureau’s background investigation reports. Asuncion
14 testified that she participated in the Background Report and is familiar with the documents
15 obtained and generated by the Bureau with respect to its background investigation of Cannon.

16 37. Regarding Cannon’s online sports gambling, Asuncion testified that the Bureau is not
17 aware of any online sports gambling by Cannon prior to 2020. Asuncion also testified that the
18 Bureau substantiated Cannon’s statement that he stopped online sports gambling.

19 38. Asuncion testified that the Bureau recommends the denial of Cannon’s Application
20 pursuant to Business and Professions Code section 19857(a) and (b) because Cannon participated
21 in illegal online sports betting and was banned from Thunder Valley.

22 **Cannon’s Testimony During the Evidentiary Hearing**

23 39. During the evidentiary hearing, Cannon testified regarding his online sports gambling
24 and the incident at Thunder Valley leading to his exclusion and ban.

25 *Cannon’s Online Sports Gambling*

26 40. Cannon testified that he was naïve to believe that online sports betting was legal since
27 he knew sportsbooks were not legal in California. Cannon testified that the website he used for
28 online sports gambling included a list of states whose residents were excluded from gambling,

1 and that the list did not include California. Cannon testified that as a result, he was confused
2 whether online sports gambling was legal in California and thought it was legal based on a
3 Google search. Cannon testified that he participated in online sports gambling prior to 2021 but
4 does not bet on sports online anymore.

5 41. Cannon admitted that he has worked in the gambling industry for several years and
6 has participated in various gambling related trainings through his employment. Cannon testified
7 that he believed online sports betting was discussed in trainings he attended, but he does not
8 remember that aspect of the training and does not recall being told that online sports gambling
9 was illegal in California.

10 *Cannon's Exclusion and Ban from Thunder Valley*

11 42. Cannon testified that he was very inebriated during the incident at Thunder Valley. He
12 testified that he is not sure why he became irate during the incident. He testified that the police
13 did the right thing by taking him to jail. Cannon testified that he was released the next day with
14 no charges, and the first application he saw when he unlocked his phone was Uber, which he
15 states demonstrates that he intended to call an Uber at the time of the incident. Cannon testified
16 that he respects the law and authorities and contacted the police officer involved to express
17 appreciation for how the police officer handled the situation and remorse for his behavior.

18 43. Cannon testified that he has not had any other incidents involving alcohol and has no
19 criminal history. Cannon testified that he rarely drinks alcohol, which only consists of an
20 occasional glass of wine with dinner.

21 Assessment of Cannon's Suitability for Licensure

22 44. For the reasons provided below, the Commission finds that Cannon has met his burden
23 of proving his suitability for licensure. Therefore, Cannon's Application is approved.

24 *Cannon met his burden of proving he is a person of good character, honesty, and integrity*

25 45. Online sports gambling is illegal in the State of California. Cannon engaged in illegal
26 online sports gambling through bets he placed on the website <https://mybookie.ag>. Cannon stated
27 that while he was aware that in-person gambling on sports (i.e. sportsbooks) were illegal in
28 California, he was confused about whether online sports gambling was also illegal. Cannon

1 testified that he believed online sports betting was discussed in trainings he attended, but he does
2 not remember that aspect of the training and does not recall being told that online sports gambling
3 was illegal.

4 46. While Cannon should have taken additional steps to verify whether online sports
5 gambling was legal prior to participating, particularly while he was employed in controlled
6 gambling, Cannon's explanation that he was confused whether online sports gambling was legal
7 was credible. Cannon also disclosed to the Bureau that the deposits from "Bhng Inc" and "Dej
8 Tech" were from online sports gambling. Cannon provided relevant details regarding his online
9 sports gambling and ceased making online sports bets. The Bureau substantiated Cannon's
10 statement that he stopped online sports gambling. Cannon stated that his last online sports bet was
11 placed two years ago. Cannon was forthcoming regarding his online sports gambling history,
12 which reflects positively on his character, honesty, and integrity.

13 47. Cannon's exclusion and ban from Thunder Valley was the result of Cannon becoming
14 inebriated and engaging in drunk and disorderly conduct inside Thunder Valley and continued
15 until he was taken to jail by the Placer County Sheriff's Office. Cannon's ban from Thunder
16 Valley was upheld by the Thunder Valley Casino Resort Reinstatement Committee. Cannon's
17 behavior placed himself and others at risk for their safety and well-being.

18 48. Cannon's initial statements to the Bureau contain some discrepancies from the
19 Incident Report. Cannon stated that he had a little bit too much to drink, and that when he was
20 asked to leave Thunder Valley he "understood completely and ordered an Uber and asked one of
21 the employees to cash out his chips." Cannon also stated "as I was waiting for them to bring my
22 cash, a security guard grabbed me by the arm, pulled me and said you need to go right now. I then
23 got very defensive and made a scene because I felt extremely disrespected." According to the
24 Incident Report, Cannon was inebriated to the point of being unable to care for himself, Cannon
25 did not "understand completely" when asked to leave Thunder Valley and instead became upset,
26 and Cannon never ordered an Uber. The Incident Report is more likely to be accurate and reliable
27 than Cannon's memory of the events given his level of intoxication.

28 49. While Cannon's initial statements to the Bureau appear designed to place him in a

1 more positive light, Cannon's recollection is less likely to be completely accurate given his level
2 of intoxication. Additionally, Cannon still admitted to sleeping at the poker table and being
3 intoxicated. In his subsequent statements to the Bureau, Cannon states that the Uber application
4 was the first application to appear on his phone once he unlocked it following his night in jail,
5 which Cannon states demonstrates that he intended to call an Uber. In the Arrest Report, which is
6 more likely to be accurate and reliable than Cannon's memory of the event, the reporting officer
7 wrote that Cannon made an attempt to order an Uber, which supports Cannon's statement of his
8 intention to call an Uber.

9 50. Cannon also accurately disclosed the incident on his Supplemental, which
10 demonstrates honesty. In his written statements to the Bureau and his testimony during the
11 hearing, Cannon expressed remorse and accepted full responsibility for the Thunder Valley
12 incident. Cannon also apologized to the staff at Thunder Valley and the Placer County Sheriff's
13 Office for his behavior. These statements and actions reflect positively on Cannon's character,
14 honesty, and integrity.

15 51. Cannon has not had any other incidents with alcohol, prior to or following the Thunder
16 Valley incident, and testified that he rarely consumes alcohol. There was no evidence presented
17 that Cannon has any criminal history or derogatory work history. Finally, Cannon submitted a
18 letter of reference from Giacomini, who states that he has known Cannon for more than a decade
19 and describes Cannon as hardworking, caring, determined, and a positive impact on his life.
20 These factors also reflect positively on Cannon's character and integrity.

21 52. Based on the foregoing, Cannon has met his burden of demonstrating that he is a
22 person of good character, honesty, and integrity.

23 *Cannon met his burden of proving that his prior activities, criminal record, if any,*
24 *reputation, habits, and associations do not pose a threat to the public interest of this state,*
25 *or to the effective regulation and control of controlled gambling, or create or enhance the*
26 *dangers of unsuitable, unfair, or illegal practices, methods, and activities in the conduct of*
controlled gambling or in the carrying on of the business and financial arrangements
incidental thereto

27 53. Online sports gambling poses a threat to the public interest of this state and to the
28 effective regulation and control of controlled gambling because it is an illegal and unregulated

1 form of gambling. As a result, Cannon's participation in illegal online sports gambling posed a
2 threat to the public interest of this state and to the effective regulation and control of controlled
3 gambling.

4 54. Engaging in drunk and disorderly behavior, and becoming unable to take care of
5 oneself due to intoxication, poses a threat to the public interest of this state because it places the
6 individual and others at risk for their safety and well-being. Cannon's actions during the Thunder
7 Valley incident posed a threat to the public interest of this state.

8 55. However, Cannon's written statements and testimony that he did not know that online
9 sports gambling was illegal was credible. Additionally, Cannon ceased his online sports gambling
10 and has not participated in online sports gambling since February 7, 2021. The risk that Cannon
11 will engage in illegal online sports gambling in the future is minimal.

12 56. The Thunder Valley incident occurred in 2020, and Cannon has not had any incidents
13 involving alcohol before or since. Cannon took full responsibility for the incident, rarely
14 consumes alcohol and when he does it is only a glass of wine with dinner, and apologized for the
15 incident to those affected. Given that there was no evidence presented that Cannon has had any
16 incidents involving alcohol prior to or since the Thunder Valley incident, the risk that Cannon
17 will become intoxicated and engage in drunk and disorderly behavior in the future is minimal.

18 57. As a result, Cannon has met his burden of demonstrating that he is a person whose
19 prior activities, criminal record, if any, reputation, habits, and associations do not pose a threat to
20 the public interest of this state, or to the effective regulation and control of controlled gambling,
21 or create or enhance the dangers of unsuitable, unfair, or illegal practices, methods, and activities
22 in the conduct of controlled gambling or in the carrying on of the business and financial
23 arrangements incidental thereto.

24 *Cannon met his burden of proving that he is in all other respects qualified to be licensed*

25 58. Based on the foregoing factual findings and assessment of Cannon's suitability for
26 licensure, Cannon has met his burden of proving that he is in all other respects qualified to be
27 licensed.

28 ///

1 *Cannon met his burden of proving that he is not disqualified from licensure*

2 59. Based on the foregoing factual findings and assessment of Cannon’s suitability for
3 licensure, Cannon has met his burden of proving that he is not disqualified from licensure.

4 60. All documentary and testimonial evidence submitted by the parties that is not
5 specifically addressed in this Decision and Order was considered but not used by the Commission
6 in making its determination on Cannon’s Application.

7 LEGAL CONCLUSIONS

8 *Applicable Statutes and Regulations*

9 61. Division 1.5 of the Business and Professions Code, the provisions of which govern the
10 denial of licenses on various grounds, does not apply to licensure decisions made by the
11 Commission under the Act. Business and Professions Code section 476(a).

12 62. The Act is an exercise of the police power of the state for the protection of the health,
13 safety, and welfare of the people of the State of California, and shall be liberally construed to
14 effectuate those purposes. Business and Professions Code section 19971.

15 63. Public trust that permissible gambling will not endanger public health, safety, or
16 welfare requires that comprehensive measures be enacted to ensure that gambling is free from
17 criminal and corruptive elements, that it is conducted honestly and competitively, and that it is
18 conducted in suitable locations. Business and Professions Code section 19801(g).

19 64. Public trust and confidence can only be maintained by strict and comprehensive
20 regulation of all persons, locations, practices, associations, and activities related to the operation
21 of lawful gambling establishments. Business and Professions Code section 19801(h).

22 65. The Commission has the responsibility of assuring that licenses, approvals, and
23 permits are not issued to, or held by, unqualified or disqualified persons, or by persons whose
24 operations are conducted in a manner that is inimical to the public health, safety, or welfare.
25 Business and Professions Code section 19823(a)(1).

26 66. An “unqualified person” means a person who is found to be unqualified pursuant to
27 the criteria set forth in Section 19857, and “disqualified person” means a person who is found to
28 be disqualified pursuant to the criteria set forth in Section 19859. Business and Professions Code

1 section 19823(b).

2 67. The Commission shall have all powers necessary and proper to enable it fully and
3 effectually to carry out the policies and purposes of this chapter. Business and Professions Code
4 section 19824.

5 68. The Commission has the power to deny any application for a license, permit, or
6 approval for any cause deemed reasonable by the Commission. Business and Professions Code
7 section 19824(b).

8 69. The Commission has the power to take actions deemed to be reasonable to ensure that
9 no ineligible, unqualified, disqualified, or unsuitable persons are associated with controlled
10 gambling activities. Business and Professions Code section 19824(d).

11 70. Every key employee shall apply for and obtain a key employee license. Business and
12 Professions Code section 19854(a).

13 71. No person may be issued a key employee license unless the person would qualify for a
14 state gambling license. Business and Professions Code section 19854(b).

15 72. The burden of proving his or her qualifications to receive any license from the
16 Commission is on the applicant. Business and Professions Code section 19856(a) and CCR
17 section 12060(j).

18 73. An application to receive a license constitutes a request for a determination of the
19 applicant's general character, integrity, and ability to participate in, engage in, or be associated
20 with, controlled gambling. Business and Professions Code section 19856(b).

21 74. In reviewing an application for any license, the commission shall consider whether
22 issuance of the license is inimical to public health, safety, or welfare, and whether issuance of the
23 license will undermine public trust that the gambling operations with respect to which the license
24 would be issued are free from criminal and dishonest elements and would be conducted honestly.
25 Business and Professions Code section 19856(c).

26 75. No gambling license shall be issued unless, based on all of the information and
27 documents submitted, the Commission is satisfied that the applicant is a person of good character,
28 honesty, and integrity. Business and Professions Code section 19857(a).

1 76. No gambling license shall be issued unless, based on all of the information and
2 documents submitted, the Commission is satisfied that the applicant is a person whose prior
3 activities, criminal record, if any, reputation, habits, and associations do not pose a threat to the
4 public interest of this state, or to the effective regulation and control of controlled gambling, or
5 create or enhance the dangers of unsuitable, unfair, or illegal practices, methods, and activities in
6 the conduct of controlled gambling or in the carrying on of the business and financial
7 arrangements incidental thereto. Business and Professions Code section 19857(b).

8 77. No gambling license shall be issued unless, based on all of the information and
9 documents submitted, the Commission is satisfied that the applicant is a person that is in all other
10 respects qualified to be licensed as provided in this chapter. Business and Professions Code
11 section 19857(c).

12 78. The Commission shall deny a license to any applicant who is disqualified for any of
13 the reasons provided. Business and Professions Code section 19859.

14 *Assessment of Cannon's Suitability for Licensure*

15 79. Cannon met his burden of proving that he is a person of good character, honesty, and
16 integrity. Therefore, Cannon is qualified for licensure pursuant to Business and Professions Code
17 section 19857(a).

18 80. Cannon met his burden of proving that his prior activities, criminal record, if any,
19 reputation, habits, and associations do not pose a threat to the public interest of this state, or to the
20 effective regulation and control of controlled gambling, or create or enhance the dangers of
21 unsuitable, unfair, or illegal practices, methods, and activities in the conduct of controlled
22 gambling or in the carrying on of the business and financial arrangements incidental thereto.
23 Therefore, Cannon is qualified for licensure pursuant to Business and Professions Code section
24 19857(b).

25 81. Cannon met his burden of proving that he is a person that is in all other respects
26 qualified to be licensed as provided in this chapter. Therefore, Cannon is qualified for licensure
27 pursuant to Business and Professions Code section 19857(c).

28 82. Cannon met his burden of proving that he is not disqualified from licensure.

1 Therefore, Cannon is not disqualified from licensure pursuant to any of the provisions of Business
2 and Professions Code section 19859.

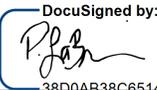
3 **ORDER**

4 1. Eric Cannon’s Application for Employee Category License as a Gambling
5 Establishment Key Employee is APPROVED.

6 2. No costs are awarded.

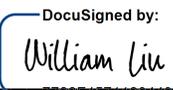
7 3. Each side to pay its own attorneys’ fees.

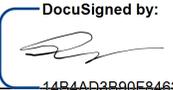
8 This Order is effective on March 9, 2023.

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10 Dated: 3/9/2023 Signature: 
38D0AB38C651466...
Paula LaBrie, Chair

11
12 Dated: 3/9/2023 Signature: 
3D4DB086F9274AA...
Cathleen Galgiani, Commissioner

13
14 Dated: 3/9/2023 Signature: 
2B4CE9520F8846C...
Eric Heins, Commissioner

15
16 Dated: 3/9/2023 Signature: 
7722F4571120449...
William Liu, Commissioner

17
18 Dated: 3/9/2023 Signature: 
14B4AD3B90F8462...
Edward Yee, Commissioner

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